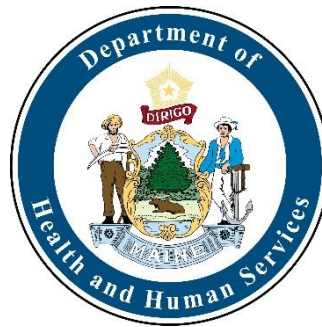


Maine DHHS Public Meeting: FQHC APM Rate Methodology

March 30, 2023



Agenda

1. Introduction
2. APM Rate Methodology
3. Rate Walk-Through
4. Public Comment

Introduction

Workgroup

Maine DHHS

- Jennifer Patterson
- Peter Kraut
- Bryan Lumbra
- Amanda Lee
- Kristin Merrill
- Grace Williams
- Shannon Beggs
- Catherine Coolidge

FQHC

- Maine Primary Care Association
- FQHCs

Guidehouse

- David Garbarino
- Holly McDonnell
- Josh Mihm
- Sean Clare

FQHCs are often the backbone of community-based care providing primary, behavioral health and other types of critical care to local populations.

Intent of Process



To obtain necessary costs and all related visits in order to calculate each FQHC's rebased T1015 rate where the new T1015 rate will be based on total costs and total visits.



To obtain data at a level of granularity that is necessary to submit a State Plan Amendment (SPA) that addresses past ambiguity regarding which services and costs should be included and billed under the T1015 and which should be billed separately from the T1015, so that there is clarity and consistency moving forward, and so that appropriate costs and visit counts are used in the construction of the new rates.

APM

Rate Methodology

APM Rate Methodology

All changes are pursuant to Maine P.L. 2021, Ch.747, An Act To Improve the Quality and Affordability of Primary Health Care Provided by Federally Qualified Health Centers



Alternative Payment Method (APM): Updated prospective payment with the baseline rate based on the average of the reasonable costs incurred in the FQHC's fiscal years ending in 2018 and 2019, adjusted for approved change in scope adjustments and FQHC Market Basket inflation.

APM reimbursement rate must be equal to or greater than the PPS reimbursement rate

FQHCs have the option of reimbursement under the PPS or the APM

APM Rate Methodology: Encounter Rate

All state plan services are reimbursable within the APM encounter except for the following, which will be reimbursed fee-for-service according to otherwise approved sections of the Maine Medicaid State Plan.

- Interpreter Services,
- Court Testimony,
- Intrauterine devices (IUDs) and long-acting contraceptives (LARC),
- Injectable drugs for treatment of Opioid Use Disorder (OUD),
- Administrative fee for Immunizations (flu and pneumonia only),
- Education Diabetes/Asthma (group only),
- Smoking/Tobacco Cessation & Preventative Counseling (group only), and
- Services for and associated with Dental Crowns and Dentures – must bill according to requirements within Section 25 – Dental Services

APM Rate Methodology: Non-FQHC Services

Some services are not reimbursable to an FQHC. These services must be provided and billed through other applicable sections of the MaineCare Benefits Manual. These services include (but are not limited to):

- Medical Supplies and Durable Medical Equipment (DME), including prosthetics – Section 60, Medical Supplies and Durable Medical Equipment,
- Laboratory Services (with the exception of incidentals) – Section 55, Laboratory Services,
- Radiology Services (including EKG/US and x-ray) – Section 101, Medical Imaging Services, and
- Ambulance Services – Section 5, Ambulance Services

APM Rate Methodology: Rate Calculation

Costs: Fiscal Year 2018 and 2019 total eligible costs from column 7 of the CMS 224 Cost Report

- CMS 224 Exclusions
 - Costs for services reimbursed via FFS (e.g., IUDs, group counseling)
 - Cost for services with other reimbursement sources (e.g., Ryan White, 340B)
 - Costs for non-FQHC services (e.g., DME, lab)
- Supplemental Cost Report (SCR) Exclusions
 - Costs imputed from SCR charges for services reimbursed via FFS

Visits: Total eligible visits provided by each FQHC on the supplemental cost report

- SCR visits excluded for services associated with excluded costs

Per Visit Rate Calculation = Adjusted Costs (with CMS 224 and SCR exclusions) / SCR Adjusted Visits
(with SCR adjustments)

Inflation and Change in Scope

- 2020 – 2023 FQHC Market Basket Inflation
- 2020 – 2022 Scope Change



Rate Walk-Through

Rate Walk-Through

Costs					
Line	Description	Reference	2018	2019	Total
	<u>224 Cost</u>				
1	224 Total Cost	Wksht A Ln 100 Col 7	\$ 11,386,262	\$ 11,386,262	\$ 22,772,524
	<u>224 Exclusions</u>				
2	Lab	Wksht A Ln 61 Col 7	\$ 70,245	\$ 70,245	\$ 140,490
3	Radiology	Wksht A Ln 62 Col 7	\$ 12,590	\$ 12,590	\$ 25,180
4	DME	Wksht A Ln 64 Col 7	\$ 466	\$ 466	\$ 933
5	Drugs Charged to Patients	Wksht A Ln 67 Col 7	\$ 20,615	\$ 20,615	\$ 41,230
6	Other (See Breakout Page)	Wksht A Ln 69 Col 7	\$ 22,895	\$ 23,456	\$ 46,351
7	Retail Pharmacy	Wksht A Ln 77 Col 7	\$ 221,970	\$ 221,970	\$ 443,939
8	Nonallowable GME	Wksht A Ln 78 Col 7	\$ 15,093	\$ 15,093	\$ 30,186
9	Other Non-Reimb. (See Breakout Page)	Wksht A Ln 79 Col 7	\$ 4,750	\$ 4,321	\$ 9,071
10	Total 224 Exclusions	Sum Lines 2-9	\$ 368,624	\$ 368,756	\$ 737,381
11	224 Corrections	Manual if 224 is Incorrect	\$ -	\$ -	\$ -
12	Total 224 Cost w/ 224 Exclusions	Line 1 - Line 10 + Line 11	\$ 11,017,638	\$ 11,017,506	\$ 22,035,144
	<u>Supplemental Cost Report (SCR) Charges</u>				
13	Total Charges From All Tabs	Excluding T1015 and G0466-G0470			\$ 20,404,994
14	CCR	Line 1 / Line 13			1.116
	<u>Excluded Charges</u>	<u>Sum of Charges For:</u>			
15	Dentures and Crowns	D2740, D275X, D51X, D52X			\$ 83,336
16	Immunizations	G0008, G0009			\$ 49,459
17	Education Diabetes Group	G0109			\$ -
18	Tobacco Cess. Prev. Therapy Group	S9453, 99411, 99412			\$ 10,523
19	Interpreter	T1013			\$ 95,558
20	Total Excluded Charges	Sum Lines 15-19			\$ 238,876
21	Total Excluded Cost	Line 20 * Line 14			\$ 266,592
22	Final Cost w/ SCR Exclusions	Line 12 - Line 21			\$ 21,768,551

Rate Walk-Through

Costs					
Line	Description	Reference	2018	2019	Total
20	Total Excluded Charges	Sum Lines 15-19		\$	238,876
21	Total Excluded Cost	Line 20 * Line 14		\$	266,592
22	Final Cost w/ SCR Exclusions	Line 12 - Line 21		\$	21,768,551
SCR Visits					
23	SCR Total Visits	Total Visits From All Tabs			105,401
	<u>Excluded Visits</u>	<u>Sum of Units For:</u>			
24	Education Diabetes Group	G0109			-
25	Tobacco Cess. Prev. Therapy Group	S9453, 99411, 99412			-
26	Lab (Standalone Lab Encounters)	8XXXX (Reported Visits)			-
27	Total Visits Excluded	Sum Lines 24-26			-
28	SCR Total Visits with Adjustments	Line 23 - Line 27			105,401
Inflation					
29	2020 FQHC Market Basket	Market Basket			2.2%
30	2021 FQHC Market Basket	Market Basket			1.7%
31	2021 Scope Change	Scope Change			1.5%
32	2022 FQHC Market Basket	Market Basket			2.1%
33	2022 Scope Change	Scope Change			0.0%
34	2023 FQHC Market Basket	Market Basket			3.9%
35	Cumulative Inflation w/ Scope Changes	$(1+\ln 29)*(1+\ln 30)*(1+\ln 31)*(1+\ln 32)*(1+\ln 33)*(1+\ln 34) - 1$			11.913%
Per Visit Rate					
36	Per Visit Rate Pre-Inflation	Line 22 / Line 28		\$	206.53
37	2023 T1015 Per Visit Rate Inflated	Line 36 * (1 + Line 35)		\$	231.14

Rate Walk-Through

The table below displays all costs reported in the CMS 224 cost report under lines 69 or 79 for FYE 2018 or 2019. Based on the line descriptions or FQHC provided clarification, certain costs were excluded (subtracted) from the overall total as either non-FQHC service related or receiving separate reimbursement.

Cost Breakdown

Line	Description	Included/Excluded	2018	2019	Total
69	Dental	Included	\$ -	\$ 212,731	\$ 212,731
69.01	340B Contract Pharmacy	Excluded	\$ -	\$ 23,456	\$ 23,456
79.01	Patient Education	Included	\$ -	\$ 53,745	\$ 53,745
79.02	Hiv Ryan White	Excluded	\$ -	\$ 4,321	\$ 4,321
69	Dental	Included	\$ 178,359	\$ -	\$ 178,359
69.01	340B Contract Pharmacy	Excluded	\$ 22,895	\$ -	\$ 22,895
79.01	Patient Education	Included	\$ 48,578	\$ -	\$ 48,578
79.02	Hiv Ryan White	Excluded	\$ 4,750	\$ -	\$ 4,750
Total Included			\$ 226,937	\$ 266,476	\$ 493,413
Total Excluded			\$ 27,645	\$ 27,777	\$ 55,422
Total			\$ 254,582	\$ 294,253	\$ 548,835

Data Confirmation

You should have received a data confirmation and proposed FQHC APM rate from Guidehouse on Friday, March 17th. If you have any comments or questions about your reported data, please provide them in writing to Guidehouse by e-mailing Guidehouse at sclare@guidehouse.com no later than **COB Friday, March 31, 2023**. All nonresponses will be taken as confirmation that the data are accurate.

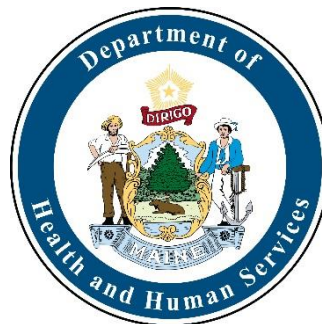
Any comments received as part of the data confirmation process that pertain to the APM rate methodology have been recorded and will be considered as part of the public comment process.



Public Comment

APM Rate Methodology Public Comment

Please provide any questions or comments about the APM rate methodology to Bryan Lumbra in writing at Bryan.K.Lumbra@maine.gov by **COB Thursday, April 13, 2023.**



Appendix

CMS 224 Cost Report

04-21 FORM CMS-224-14 4490 (Cont.)

RECLASSIFICATION AND ADJUSTMENT OF TRIAL BALANCE OF EXPENSES

CCN:

PERIOD:
FROM:
TO:

WORKSHEET A

COST CENTER DESCRIPTIONS (omit cents)			SALARIES	OTHER	TOTAL (col. 1 + col. 2)	RECLASSIFI- CATIONS	RECLASSIFIED TRIAL BALANCE (col. 3 ± col. 4)	ADJUSTMENTS	NET EXPENSES FOR ALLOCATION (col. 5 ± col. 6)	
			1	2	3	4	5	6	7	
GENERAL SERVICE COST CENTERS										
1	0100	Cap Rel Costs-Bldg and Fix								1
2	0200	Cap Rel Costs-Mvble Equip								2
3	0300	Employee Benefits								3
4	0400	Administrative & General Services								4
5	0500	Plant Operation & Maintenance								5
6	0600	Janitorial								6
7	0700	Medical Records								7
8		Subtotal - Administrative Overhead								8
9	0900	Pharmacy								9
10	1000	Medical Supplies								10
11	1100	Transportation								11
12	1200	Other General Service (specify)								12
13		Subtotal - Total Overhead								13
DIRECT CARE COST CENTERS										
23	2300	Physician								23
24	2400	Physician Services Under Agreement								24
25	2500	Physician Assistant								25
26	2600	Nurse Practitioner								26
27	2700	Visiting Registered Nurse								27
28	2800	Visiting Licensed Practical Nurse								28
29	2900	Certified Nurse Midwife								29
30	3000	Clinical Psychologist								30
31	3100	Clinical Social Worker								31
32	3200	Laboratory Technician								32
33	3300	Reg Dietician/Cert DSMT/MNT Educator								33
34	3400	Physical Therapist								34
35	3500	Occupational Therapist								35
36	3600	Other Allied Health Personnel								36
37		Subtotal - Direct Patient Care Services								37

CMS 224 Cost Report

4490 (Cont.)

FORM CMS-224-14

04-21

RECLASSIFICATION AND ADJUSTMENT OF TRIAL BALANCE OF EXPENSES				CCN: _____		PERIOD: FROM _____ TO _____		WORKSHEET A	
COST CENTER DESCRIPTIONS (omit cents)			SALARIES 1	OTHER 2	TOTAL (col. 1 + col. 2) 3	RECLASSIFI- CATIONS 4	RECLASSIFIED TRIAL BALANCE (col. 3 ± col. 4) 5	ADJUSTMENTS 6	NET EXPENSES FOR ALLOCATION (col. 5 ± col. 6) 7
REIMBURSABLE PASS THROUGH COSTS									
47	4700	Allowable GME Costs							47
48	4800	Pneumococcal Vaccines & Med Supplies							48
49	4900	Influenza Vaccines & Med Supplies							49
49.10	4910	COVID-19 Vaccines & Med Supplies							49.10
49.11	4911	Monoclonal Antibody Products							49.11
50		Subtotal - Reimbursable Pass through Costs							50
OTHER FOHC SERVICES									
60	6000	Medicare Excluded Services							60
61	6100	Diagnostic & Screening Lab Tests							61
62	6200	Radiology - Diagnostic							62
63	6300	Prosthetic Devices							63
64	6400	Durable Medical Equipment							64
65	6500	Ambulance Services							65
66	6600	Telehealth							66
67	6700	Drugs Charged to Patients							67
68	6800	Chronic Care Management							68
69	6900	Other (Specify)							69
70		Subtotal - Other FOHC Services							70
NONREIMBURSABLE COST CENTERS									
77	7700	Retail Pharmacy							77
78	7800	Nonallowable GME Costs							78
79	7900	Other Nonreimbursable (Specify)							79
80		Subtotal - Non-Reimbursable Costs							80
100		TOTAL (sum of lines 13, 37, 50, 70 and 80)							100